March 16, 2017

Honorable Edmund G. Brown, Jr. Governor, State of California State Capitol Sacramento, CA 95814

Dear Governor Brown:

On behalf of the Delta Protection Commission, I am writing about your Administration's request to seek legislative appropriation of the Proposition 1 funding for Delta levees.

The Commission shares your concern and sense of urgency over the need to implement high-priority flood risk reduction projects in the Delta. The Commission is proud of the improvements to the Delta levee system that have resulted from the funding partnership between your Department of Water Resources and local Delta interests operating through reclamation districts and local maintaining agencies. These levee improvements, accomplished in large part over the period of time since the devastating 1997 flooding, have resulted in systemwide benefit to the Delta levee system and are a primary reason that this winter's high-water conditions did not result in significant Delta levee breaches.

Although the Commission is committed to continued improvement of Delta levees and is especially supportive of your Department of Water Resources Delta levee programs (Delta levees subventions and special projects), we have two concerns with your request for immediate appropriation of the entire Proposition 1 funding for Delta levees.

The first concern is over the request to fully appropriate the funding in fiscal years 16-17 and 17-18. The Proposition 1 funding is the primary vehicle for State support of your Department of Water Resources' Delta levee programs. It is essential that a stream of funding from the State continue to support the levee improvement work initiated by reclamation districts and local maintaining agencies; only through this continued funding partnership will the Delta levee system continue to improve and safeguard Delta land, infrastructure and water conveyance from the risks imposed by flooding, seismic risk and sea-level rise. The request to fully appropriate in fiscal years 16-17 and 17-18 will limit the "shelf life" of these monies, and the amount of funding for the DWR Delta levee programs in your request would only provide several years of funding at most. To honor the intent behind the Proposition 1 Delta levee funding (as described in the November 2014 official voter information guide: "\$ 295 million is set aside to improve levees or respond to flood emergencies in the Delta"), much greater amounts of funding should be directed toward these programs, and this funding should be appropriated over a longer period of time.

The second concern is over the proposed allocation of the available \$295 million for Delta levees (minus 2% for State bond costs), and specifically the proposed allocation of nearly half this funding for "systemwide" improvements (Yolo Bypass and the proposed Paradise Cut Bypass). While the Commission supports improvements to the Yolo Bypass levees located in the legal Delta and supports the concept of a Paradise Cut Bypass, "systemwide" improvements to the Yolo Bypass largely benefit areas outside the Delta. Further, the Paradise Cut Bypass is still in the planning stage, and an immediate appropriation of funding for "systemwide" improvements is unlikely to provide much benefit to the

Paradise Cut effort, again due to the "shelf life" of appropriated monies. While some of the proposed "systemwide" improvement work such as expanding flood bypasses and creation of habitat may be beneficial, such efforts should not be funded from the Proposition 1 Delta levee funding. The need for continued improvements to Delta levees argues for directing these limited Proposition 1 resources to the DWR Delta levee programs and toward urban flood risk reduction in the Delta's urban areas.

The Commission understands the urgency around flood-system improvements in the wake of this extraordinary winter. However, we also are aware that the needed improvements to the Delta levee system will occur over a longer time period that envisioned by your appropriation request. We ask that you consider both the intention of the Proposition 1 Delta levee funding to reduce the risk of levee failure and flood in the Delta, and also the need to ensure that funding will continue to support the DWR Delta levee programs for more than a few short years.

The Commission voted to approve this letter at its meeting on March 16, 2017, with representatives of State agencies abstaining from the vote.

Sincerely,

Skip Thomson Chair

cc: Honorable Bob Wieckowski, Chair of Senate Budget and Fiscal Review Subcommittee #2
Honorable Richard Bloom, Chair of Assembly Budget Subcommittee #3
Honorable Cathleen Galgiani and Delta-region representatives, California State Senate
Honorable Jim Frazier and Delta-region representatives, California State Assembly